

Mark Young New York Metro

August 14, 1997

To: Dave Wilmesher

Subject: Personnel / Recruiting for Diversity

Dear Dave.

Over the past several months, we as a region have placed hiring of minorities a top priority. As you are aware, with the NY Metro region, this is just good business due to the diversity within the region's geography. There are a couple of situations that we have been running into lately:

The first situation:

Has to do with not only the need for good Black and Hispanic candidates, but also a real need for Indian, Russian, and Asian employees. In the Boro's of NY City, you have neighborhoods or pockets of foreign immigrants that make up not only the primary residents of the area, but also the store owners. In many cases, we have a real problem with communication. For example, we're currently advertising in an all "Russian" newspaper in an attempt to find a Sales Person to work a predominately Russian area of Brooklyn. Another example has to do with a predominately Indian area next to Newark, NJ. In this area, for business purposes, we desperately need a Territory Representative that can communicate and understand the customs of the large Indian population. For this position, we have been interviewing and advertising for a Black Male or female for 5 months. No qualified candidate that has been offered the position, is willing to work in Newark. The next example has to do with Chinatown, where we have been attempting to fill a Retail Representative position for several months. While we know the importance of bringing Black and Female candidates into the company, hiring the right person (or nationality) might reduce our long and short term turnover.

The point is, when we concentrate strictly on Black or Hispanic diversity candidates, in many cases this truly ties our hands on selecting the right nationality for the specific area. It would make sense to me to not only have Black / Hispanic / Female EEOC classifications, but also Asia, Indian, Russian, etc. In my opinion, these are definitely considered minority groups when you're dealing with large inner-city regions.

With the geography of the NY Metro Region, the fact is that I have a tremendous amount of area that is high crime, poverty and minority dominated. Quite honestly, in most cases only a street smart person that is familiar with / or that is a product of the environment (grew up and already lives there) would be willing to work everyday in these conditions. Jim Guaneri, as you are aware, conducts college recruiting in approximately 15 area University's, College's and Community Colleges. When we find a qualified College diversity applicant, the comment more often than not is quite simply "I will not consider working in that area". A current example of this is the Newark Territory Rep opening that I mentioned earlier in this letter. The assignment has been open for 6 months Listed below is a recap of the steps that Jim Guaneri has taken to fill this position:

- ☐ The Urban League: Jim personally contacted this organization by letter and in person, in an attempt to interview qualified minority canidates (copies of letters attached). Bottom-line, this organization has no interest in recommending RJR or any other Tobacco Company to any of their associates.
- ☐ The Rainbow Collation: Jim tried several attempts to get past the Collation's receptionist, and then even sent a letter to the Director (letter enclosed). Once again, this organization would not even talk to RJR.
- Ran help wanted ad's in two Newark Inner City Black publications along with ad's in the large "Star Ledger North Jersey Newspaper":

 These ad's were very specific to the geography that would be worked (Newark). After spending over \$1,000 on ad's and several weeks, Jim ended up with a total of 5 replies for the position. These individuals that sent resumes included: a shoe repairman (23 years experience working in a shoe repair shop), a house painter, a retired Corrections Guard, one individual that would not return our calls and finally one individual (Black, Female) that we felt might be able to do the job. This one half-way qualified applicant ended up "Failing" the Yale background check. All information from driving record to education was falsified.
- □ St. Peters College in Jersey City: Two interviews and neither would work in Newark.
 □ St. Francis College: No qualified applicants
- Hofstra College: No applicants willing to work in Newark.
 St. Johns University (both campuses): Several interviews but all either had a problem with the Cigarette industry or working in Newark.

Drake School of Business (NY City & NJ campuses): Jim set up interviews with a total of 21 individuals. It ended up that 3 appointments did not show, 6 individuals did not have drivers licenses, 4 had already gotten other jobs, 3 showed up and explained that after thinking about it were not interested in working for a tobacco company, and the remaining 5 were interviewed. Once again all 5 either had a problem working in Newark, or simply were not good candidates for the TR
position. Next Jim contacted the unemployment office: This quite honestly opened the flood gates for the requirement of having weekly interviews to continue receiving the unemployment checks. Lot's of bodies, no qualified candidates.
<u>Used the Region Bi-weekly sales newsletter</u> (Metro Report): To go after the employee referrals which normally prove to be solid candidates. No luck!
The only thing left place Job Notices at Newark area Food Stores: Thirty notices were placed last month, with no responses to date.

To make a long story short, over the past months Jim has only talked to one qualified candidate, that wants the position passed the Yale test doesn't have a problem working in Newark. He also likes the cigarette industry and does have a very solid work history. When running all these ads, we have a policy that we will interview all applicants according to the EEOC guidelines. In this case, an Indian Retail Representative from Central Jersey Division along with two RR from the NY Metro Region requested and were allowed to be interviewed for the position. As you are aware we select the most qualified individual for the position, and in most cases it is not a RR due to the needed skill set of the position. However, at this point the most qualified individual that we have is the Indian Retail Representative from Central Jersey.

I think you can see the problem that we have. Do we continue to hold the assignment open and hope for the best in terms of finding a qualified applicant that truly wants the position, or go against the direction of the company and hire the qualified Retail Representative and get on with business?

Dave, from time to time everyone needs to vent their problems to somebody and I guess that's what this letter is all about. I look forward to continuing my "Venting" with you the next time we're together.

Sincerely, Mark Young

cc: R. O'Rourke